



47 CFR Part 54

[WC Docket No. 21-450; FCC 22-2; FRS 71007]

Affordable Connectivity Program

AGENCY: Federal Communications Commission.

ACTION: Proposed rule.

SUMMARY: In this document, the Federal Communications Commission (Commission or FCC) seeks comment on proposals for increasing awareness of and participation in the Affordable Connectivity Program and for an enhanced affordable connectivity benefit for consumers in certain high-cost areas.

DATES: Interested parties may file comments on or before **[INSERT DATE 30 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]** and reply comments on or before **[INSERT DATE 60 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]**.

ADDRESSES: All filings should refer to WC Docket No. 21-450. Comments may be filed by any of the following methods:

- *Electronic filers:* You may file comments electronically by accessing the Commission's Electronic Comment Filing System (ECFS) at <https://www.fcc.gov/ecfs/filings>.
- *Paper filers:* Parties who choose to file by paper must file an original and one copy of each filing. Filings can be sent by commercial overnight courier, or by first-class or overnight U.S. Postal Service mail. Parties that need to submit confidential filings to the Commission should follow the instructions provided in the Commission's March 31, 2020 public notice regarding the procedures for submission of confidential materials. *See FCC Provides Further Instructions Regarding Submission of Confidential Materials*, Public Notice, DA 20-361, 35 FCC Rcd 2973 (OMD, March 31, 2020), https://docs.fcc.gov/public/attachments/DA-20-361A1_Rcd.pdf. All filings must be addressed to the Commission's Secretary, Office of the Secretary, Federal Communications Commission.
 - Commercial overnight mail (other than U.S. Postal Service Express Mail and Priority Mail) must be sent to 9050 Junction Drive, Annapolis Junction, MD 20701.

- U.S. Postal Service first-class, Express, and Priority mail must be addressed to 45 L Street NE, Washington DC 20554.
- Effective March 19, 2020, and until further notice, the Commission no longer accepts any hand or messenger delivered filings. This is a temporary measure taken to help protect the health and safety of individuals, and to mitigate the transmission of COVID-19. See *FCC Announces Closure of FCC Headquarters Open Window and Change in Hand-Delivery Policy*, Public Notice, DA 20-304 (March 19, 2020), <https://www.fcc.gov/document/fcc-closes-headquarters-open-window-and-changes-hand-delivery-policy>.

People with Disabilities: To request materials in accessible formats for people with disabilities (Braille, large print, electronic files, audio format), send an email to fcc504@fcc.gov or call the Consumer & Governmental Affairs Bureau at 202-418-0530.

Ex Parte Rules. This proceeding shall continue to be treated as a “permit-but-disclose” proceeding in accordance with the Commission’s *ex parte* rules, 47 CFR 1.1200 *et seq.* Persons making *ex parte* presentations must file a copy of any written presentation or a memorandum summarizing any oral presentation within two business days after the presentation (unless a different deadline applicable to the Sunshine period applies). Persons making oral *ex parte* presentations are reminded that memoranda summarizing the presentation must (1) list all persons attending or otherwise participating in the meeting at which the *ex parte* presentation was made, and (2) summarize all data presented and arguments made during the presentation. If the presentation consists in whole or in part of the presentation of data or arguments already reflected in the presenter’s written comments, memoranda or other filings in the proceeding, the presenter may provide citations to such data or arguments in his or her prior comments, memoranda, or other filings (specifying the relevant page and/or paragraph numbers where such data or arguments can be found) in lieu of summarizing them in the memorandum. Documents shown or given to Commission staff during *ex parte* meetings are deemed to be written *ex parte* presentations and must be filed consistent with 47 CFR 1.1206(b). Written *ex parte* presentations and memoranda summarizing oral *ex parte* presentations, and all attachments thereto, must be filed through the Electronic Comment Filing System and must be filed in their native format (e.g., .doc, .xml, .ppt, searchable .pdf). Participants in this proceeding should familiarize themselves with the Commission’s *ex parte* rules.

FOR FURTHER INFORMATION CONTACT: Eric Wu, Attorney Advisor, Telecommunications Access Policy Division, Wireline Competition Bureau, at eric.wu@fcc.gov.

SUPPLEMENTARY INFORMATION: This is a synopsis of the Commission's *Further Notice of Proposed Rulemaking* (FNPRM) in WC Docket No. 21-450, FCC 22-2, adopted January 14, 2022, and released January 20, 2022. The full text of this document is available at <https://docs.fcc.gov/public/attachments/FCC-22-2A1.pdf>. The Report and Order that was adopted concurrently with this Notice of Proposed Rulemaking is to be published elsewhere in the Federal Register.

I. INTRODUCTION

1. The Commission seeks comment on aspects of the Infrastructure Investment and Jobs Act (Infrastructure Act) and proposals for increasing awareness of and participation in the Affordable Connectivity Program. Specifically the Commission seeks comment on three sets of issues: (1) structuring an outreach grant program; (2) establishing a potential pilot program focused on increasing the awareness and enrollment of eligible households participating in Federal Public Housing Assistance Programs in the Affordable Connectivity Program; and (3) implementing a mechanism for determining the application of the enhanced benefit for those serving high-cost areas, as to be determined by the National Telecommunications Information Administration (NTIA).

A. Outreach Grant Program

2. *Grant Program.* The Affordable Connectivity Program will rely heavily on outreach efforts to make eligible households aware of and informed about the program. As evidenced in the record, certain segments of eligible households that would benefit from the program currently have low participation rates. The Infrastructure Act provides that the Commission may conduct various outreach efforts to encourage households to enroll in the Affordable Connectivity Program. The notice commencing this proceeding (referred to as *ACP Public Notice*) sought comment on the use of these statutorily authorized outreach tools, including the authority to provide grants to outreach partners. *See Wireless Competition Bureau Seeks Comment on the Implementation of the Affordable Connectivity Program*, Proposed Rule, 88 FR 74036, 74056-57, paras. 108-112 (Dec. 29, 2021) (*ACP Public Notice*). As further explained in the Report and Order accompanying this Further Notice of Proposed Rulemaking

(FNPRM), the Commission endeavors to use a variety of outreach tools permitted under the statute to reach eligible consumers, including but not limited to people of color, persons with disabilities, persons who live in rural or Tribal areas, and others who are or have been historically underserved, marginalized, or adversely affected by persistent poverty or inequality. In addition to the Commission's own outreach efforts, outreach partners also play an important role in disseminating information about the Affordable Connectivity Program; and grant funding would help expand these outreach efforts and improve their effectiveness.

3. Any agency establishing a grant program must do so in strict compliance with 2 CFR part 200 and other regulations and statutes applicable to Federal grants. However, while the Commission typically administers various types of financial assistance programs, it does not have experience with the unique statutory and regulatory requirements applicable to Federal grant programs. While the present record evinces strong support for the establishment of a grant program to promote awareness of and enrollment in the Affordable Connectivity Program and identifies several potential uses of outreach funds, the structure and implementation of such a program requires further exploration due to the unique statutory and regulatory requirements of the Federal grant program, which the Commission has not previously administered. Accordingly, the Commission seeks additional comment and feedback on structuring an outreach grant program to be managed by the Commission in support of consumer outreach concerning the Affordable Connectivity Program, as permitted in the Infrastructure Act.

4. Several commenters support the establishment of an outreach grant program and offer various recommendations and relevant insights. For instance, EducationSuperHighway cites the Internal Revenue Service's (IRS) Volunteer Income Tax Assistance (VITA) Program as a useful example that the Commission should look to as a model. Are there other analogous Federal outreach grant programs the Commission should consider as good models for establishing an outreach grant program besides those already identified in the record? The Commission especially encourages interested parties that have experience serving people of color, persons with disabilities, persons who live in rural or Tribal areas and others who are or have been historically underserved, marginalized, or adversely affected by persistent poverty or inequality, including State, local and Tribal governments and non-profit community-based organizations, to identify Federal grant programs that they have found to be helpful in those efforts.

5. The Commission seeks comment on the duration and budget for an outreach grant funding program and proposes to create a multiple-year outreach grant program to align with the expectation that the Affordable Connectivity Program will extend for multiple years. Should this multi-year program require grantees to submit new applications periodically? Should the Commission instead consider establishing a one-time, limited duration outreach grant program? The Commission also seeks comment on the appropriate funding amount for a grant program.

6. As reflected in the record, commenters support the Commission using a wide variety of outreach methods to take advantage of the statutory tools provided in the Infrastructure Act, including the establishment of an outreach grant program. Are there particular types of outreach activities toward which the Commission should consider targeting outreach grant funds? Tech Goes Home emphasizes the importance of ensuring that adequate resources are provided to local outreach partners to prevent additional financial burdens. How much funding might grantees need in order to execute effective outreach efforts? The Commission seeks comment on estimated ranges of outreach grant awards, taking into consideration the range of costs that may be associated with outreach efforts, including those identified in the record, and on potential per-application funding caps. The Commission also seeks comment on types of support and outreach material the Commission could provide to help outreach partners. Should the Commission provide technical assistance to grantees? What would be valuable technical assistance to grantees and how might technical assistance evolve over the duration of the grant program implementation?

7. The Commission next seeks comment on entities that should be eligible for outreach grant funding. The record reflects support for relying on non-profit organizations and trusted community organizations as outreach partners for the Affordable Connectivity Program. AARP recommends that preference in grant awards should be given to organizations with established public interest credentials, preferably non-profit organizations, that have strong ties with key communities, including multi-cultural communities, and that grant applicants be required to provide examples of successful past outreach initiatives. The County of Los Angeles recommends that the Commission consider awarding grants to local governments, including counties, cities, and other entities, to further develop hyper-local campaigns, taking into consideration language needs, digital literacy, social media trends, relevant linear media, and

other local factors. The Commission seeks comment on the types of entities that should be deemed eligible to receive potential outreach grant funding. If non-profit organizations are eligible for funds, should eligibility be limited to non-profit organizations with tax exempt status under 26 USC 501(c)(3)? Should State, local, and Tribal governments, including associated social service agencies, school districts, libraries, public housing authorities, State governmental entities that carry out workforce development programs, or State agencies that are responsible for administering or supervising adult education and literacy activities in the State, be eligible to receive grant funds? Are there other types of organizations that should be eligible?

8. Grantees would be required to adhere to applicable Federal grantee regulations, including but not limited to taking all necessary affirmative steps to assure that minority businesses, women's business enterprises, and labor surplus area firms are used when possible. *See* 2 CFR 200.321(a). Should use of outreach grant funds be limited to the named grant recipient, or should funding recipients be permitted to use subgrantees? Would allowing subgrantees significantly complicate the administration of an outreach grant program? Do other outreach grant programs typically permit subgrantees? Is there evidence that the funding of subgrantees can lead to improved, targeted outreach?

9. The Commission also seeks comment on the application process, reporting, and other requirements for a potential outreach grant program. Interested parties should refer to the Uniform Administrative Requirements, Cost Requirements, and Audit Requirements for Federal Awards, 2 CFR part 200, as well as the general reporting requirements in 2 CFR parts 25 and 170. The National Digital Inclusion Alliance requests that the application process, reporting requirements, and financial requirements be minimally burdensome, to the extent possible and recommends that the Commission should “limit barriers to participation by small organizations that are trusted in their communities but have limited capacity to participate in large Federal grant programs. The Commission invites commenters that have received Federal grants to address the grantee experience, including the grant application process, their use of grant funds, and best practices with respect to financial and reporting requirements for grant recipients, particularly for outreach grants. Should the application and selection process for a potential outreach grant program be competitive? The Commission seeks comment on how the Commission could structure an application and evaluation process to maximize the potential reach and

effectiveness of outreach grant funding.

10. An outreach grant program should maximize the number of eligible consumers participating in the Affordable Connectivity Program. The Commission seeks comment on whether awarding funding to applicants from a range of organization types and sizes (*e.g.*, nationwide, regional, local, and smaller organizations) and ensuring diversity in geographic areas and intended outreach populations will best serve the underlying goal of increasing enrollment in the program. To do so effectively, the Commission has a strong interest in selecting grant applications that would target underserved populations and areas where the funding will have the most impact on increasing awareness of and, consequently, enrollment in the Affordable Connectivity Program. Should special consideration be given to prior experience working with or conducting outreach to such communities? The Commission seeks comment on what types of information should be sought from applicants in order to enable it to make informed decisions about the merits of the applications, including the reach of applicant organizations and the populations that they target. What metrics should the Commission take into account when considering applications and selecting grantees?

11. The Commission seeks comment on establishing goals and metrics to track the outreach grant program's performance of the goals of promoting awareness of the Affordable Connectivity Program and enrollment by eligible households. What metrics could track performance towards the goal of increasing enrollment? What other measurable goals and metrics would be appropriate for an outreach funding program? The Commission also seeks comment on appropriate performance metrics and milestones for potential grantees. Consistent with the statutory and regulatory requirements of grant programs, what factors could the Commission require grantees to track to help measure the real impact of supported outreach activities? What steps should the Commission take to aggregate and report the performance data received from the grantees? What would be appropriate periods of time for reporting (*e.g.*, annually or semi-annually) and assessing performance (*e.g.*, one year or three years)?

12. Any agency establishing a grant program must do so in compliance with 2 CFR, subtitle A, *Office of Management and Budget Guidance for Grants and Agreements*, and other regulations and statutes applicable to Federal grants. Because the Commission has not previously implemented a grant program, however, it must adopt rules or delegate authority to the Wireline Competition Bureau and the

Office of Managing Director in order to ensure compliance with the government-wide requirements applicable to grant programs, including 2 CFR parts 25, 170, 175, 180, 182, and 200. Grant programs also must comply with requirements established in appropriations legislation. *See, e.g.*, Public Law 116-260, 134 Stat. 1182, 1439-1442 (Dec. 27, 2020) limitations on conference expenses, prohibition of whistleblowing confidentiality agreements, and restrictions on grants to entities with unpaid Federal tax liabilities or recent felony convictions). Parties are encouraged to comment on the Commission's implementation of those requirements, especially in light of the objectives of the outreach grant program.

B. Pilot Program Focused on Eligible Households Participating in Federal Public Housing Assistance Programs

13. Under the supervision of the Department Housing and Urban Development (HUD), city and State housing authorities administer Federal Public Housing Assistance (FPHA) programs, such as the housing choice voucher program (Section 8), project-based rental assistance, and public housing, that benefit millions of Americans, including extremely low-income families. Congress and the Commission have long recognized the importance of connecting these households to Lifeline communications services and, more recently, to services supported by the Emergency Broadband Benefit (EBB). The record demonstrates that large numbers of households in public housing would benefit from the Affordable Connectivity Program.

14. In working to expand participation in the Affordable Connectivity Program, the Commission reaffirms the importance of connecting FPHA beneficiaries that are eligible for the Affordable Connectivity Program. Most of these households were eligible for the predecessor EBB Program, but only a small share of them enrolled in the EBB Program.¹ Additional steps and innovative approaches are needed to help ensure that the Affordable Connectivity Program reaches the lowest-income Americans. To that end, the Commission seeks comment on launching a pilot program focused on expanding ACP participation by FPHA beneficiaries, including increasing awareness and assisting with navigating the enrollment process. Are there other obstacles to ACP enrollment for FPHA beneficiaries that should be addressed?

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15. The Infrastructure Act requires the Commission to collaborate with relevant Federal agencies and permits the Commission to engage in outreach efforts to encourage eligible households to enroll in the Affordable Connectivity Program. To this end, the Commission intends to use a wide range of available outreach tools to increase awareness of and participation in the Affordable Connectivity Program. The record demonstrates that there is particular need for increased outreach to raise awareness of and participation in the Affordable Connectivity Program among low-income Americans who participate in the FPHA programs. Accordingly, the Commission is interested in exploring innovative ways that the Commission could partner with agencies that administer the FPHA programs on outreach and enrollment for the Affordable Connectivity Program. The Commission first seeks assistance in identifying the specific partner agencies for these efforts. In particular, the Commission seeks comment on the types of collaborative cross-agency outreach that would be most effective at reaching this population. Are there examples of cross-agency marketing and outreach efforts that the Commission should look to as models for these efforts? Are there other models the Commission should look to in designing and implementing these cross-agency efforts? What sources of data should the Commission consider to identify specific locations where such cross-agency outreach and marketing efforts are most likely to have a significant impact?

16. The Commission also seeks comment on ways to make outreach through the partnerships as effective as possible by identifying and developing specific outreach and marketing efforts to be conducted through this pilot. Are there proven methods for communicating well with FPHA beneficiaries? What should the scope and duration of these efforts be? The Commission also seeks comment on whether and how it can partner with third parties, including non-profit organizations, to help identify, develop, and carry out these marketing and outreach efforts. Should the Commission use Affordable Connectivity Program funding designated for outreach for these efforts?

17. Heightening FPHA beneficiaries' awareness of the Affordable Connectivity Program alone may not be enough to significantly increase their participation in the program, and accordingly, the Commission seeks comment on how to best assist FPHA households in accessing or navigating the program application process. The Commission expects that partner agencies have regular opportunities to interact in person with members of households eligible for the Affordable Connectivity Program. Should

the Commission encourage partner agencies to establish, as part of this pilot, assistance locations on site where eligible household members can complete and submit applications for the Affordable Connectivity Program? What are the benefits of such arrangements? This effort could impose some additional burdens on the staff and resources of partner agencies; how can the Commission reduce such burdens? Should the Commission direct the Universal Service Administrative Company (USAC) to give those agencies access to the National Verifier (as defined in 47 CFR 54.1800(q)) in order to assist applicants who are physically present with completing and submitting applications for the Affordable Connectivity Program?

18. The Commission proposes to require any representatives that are granted access to the National Verifier to register in the Representative Accountability Database, consistent with 47 CFR 54.1807(a), and to indicate that they are providing such assistance when they help consumers submit applications through the National Verifier. The Commission seeks comment on this proposal and on additional ways to help eligible FPHA households enroll. Are there other models for providing enrollment assistance the Commission should consider?

19. The Commission seeks comment on how to measure the success of this pilot in increasing awareness of and enrollment in the Affordable Connectivity Program by participants in qualifying Federal Public Housing Assistance Programs. .

C. Implementation of the Enhanced Benefit For High-Cost Areas

20. The Infrastructure Act provides for a separate enhanced affordable connectivity benefit for households that are served by providers in high-cost areas (as the term high-cost areas is defined in a separate section of the Infrastructure Act), with such areas to be identified by the National Telecommunications Information Administration (NTIA) in consultation with the Commission. 47 U.S.C. 1752(a)(7)(B) (the “high-cost provision”). Specifically, the Infrastructure Act establishes that a discount of up to \$75 per month may be applied to a provider’s broadband service “upon a showing that the applicability of the lower [\$30.00 maximum benefit that applies elsewhere] to the provision of the affordable connectivity benefit by the provider would cause particularized economic hardship to the provider such that the provider may not be able to maintain the operation of part or all of its broadband network.” 47 U.S.C. 1752(a)(7)(B). The *ACP Public Notice* sought comment on what the mechanism should be, and what a provider should be required to submit to show a “particularized economic

hardship.” *ACP Public Notice*, paras. 71-73. While the present record includes some comments on this high-cost provision, the establishment of this mechanism requires further exploration given the interplay with other areas of the Infrastructure Act, including the definition of high-cost areas in 47 U.S.C. 1702(a)(2).

21. The high-cost areas provision incorporates the definition of “high-cost area” in 47 U.S.C. 1702(a)(2)(G)(i), as “an unserved area in which the cost of building out broadband service is higher, as compared with the average cost of building out broadband service in unserved areas in the United States,” as determined by NTIA in consultation with the Commission. In turn, the term unserved area is defined as “an area in which not less than 80 percent of broadband-serviceable locations are unserved locations.” 47 U.S.C. 1702(a)(2)(G)(ii). *See also* 47 U.S.C. 1702(a)(2)(H) (defining “broadband-serviceable location”); 47 U.S.C. 1702(a)(1)(A) (defining “unserved location”). The Commission seeks comment on how to interpret and apply the definition of “high-cost area” in 47 U.S.C. 1702(a)(2)(G)(i) for purposes of the Affordable Connectivity Program, including whether such high-cost areas need to be unserved or if they can include high-cost areas that are served or unserved by an existing broadband provider. *See also* 47 U.S.C. 1702(a)(2)(H) (defining “broadband-serviceable location”); 47 U.S.C. 1702(a)(1)(A) (defining “unserved location”).

22. The Commission seeks additional comment on the mechanism by which a provider can show particularized economic hardship. Should the Commission set clear standards or benchmarks for providers on what constitutes particularized economic hardship? In their comments on the *ACP Public Notice*, both NTCA and Conexon contend that a provider may face particularized economic hardship when the expected revenue from a substantial number of eligible households plus the high-cost universal service support it receives and the \$30 monthly affordable connectivity benefit do not cover the cost of serving the designated high cost area, including depreciation expense, operating expense, the cost of capital, and other associated expenses, thus making it uneconomic to justify the incremental private investment needed to maintain the operation of that part of its network. Other commenters assert that commercial mobile carriers should be able to demonstrate that one or more cell sites may be decommissioned in the absence of a higher ACP benefit, or alternatively, would not be decommissioned if the higher ACP benefit is provided. The Commission seeks comment on the best method of

determining whether providers face a particularized economic hardship. What constitutes a substantial number of eligible households? What considerations should be used to determine a provider's expected revenues? When a provider has a depressed take-rate, how can the Commission determine the cause is because households in that area cannot afford internet? How can the Commission assess the amount of revenue that providers need to maintain the operation of networks serving households in the designated high-cost areas? The Commission also seeks comment on other standards and tests the Commission should consider to make this determination.

23. The Commission also invites comment on the specific information that providers should provide in order to show particularized economic hardship. What information (such as revenues, cost models, capital expenditures, etc.) should a provider be required to submit to show that increased subsidies from the Affordable Connectivity Program are necessary for the provider to maintain its network? Alternatively, is there a level of poverty that could be applied in all high-cost areas to determine where carriers face particularized economic hardship? What information is publicly available for the Commission to consider in making such a determination? Should the Commission take into consideration other subsidies and financial benefits used by providers in determining a provider's request for high-cost treatment in the Affordable Connectivity Program?

24. The *ACP Public Notice* sought comment on who should decide whether the provider met the standard for this enhanced benefit and the Commission seeks further comment on how this review process should be implemented. What else should the Commission consider when setting up the process for making determinations about a household's eligibility to receive this enhanced subsidy?

25. The Commission, as part of its continuing effort to advance digital equity for all, including people of color, persons with disabilities, persons who live in rural or Tribal areas, and others who are or have been historically underserved, marginalized, or adversely affected by persistent poverty or inequality, invites comment on any equity-related considerations and benefits (if any) that may be associated with the proposals and issues discussed herein. *See Executive Order on Advancing Racial Equity and Support for Underserved Communities Through the Federal Government*, E.O. No. 13985, 86 FR 7009 (Jan. 20, 2021). Specifically, the Commission seeks comment on how these

26. proposals may promote or inhibit advances in diversity, equity, inclusion, and

accessibility, as well the scope of the Commission's relevant legal authority.

II. PROCEDURAL MATTERS

Initial Paperwork Reduction Act of 1995 Analysis

27. This document contains proposed new information collection requirements. The Commission, as part of its continuing effort to reduce paperwork burdens, invites the general public and the Office of Management and Budget (OMB) to comment on the information collection requirements contained in this document, as required by the Paperwork Reduction Act of 1995, Public Law 104-13, 44 U.S.C. 3501 et seq.). In addition, pursuant to the Small Business Paperwork Relief Act of 2002, Public Law 107-198, 44 U.S.C. 3506(c)(4), the Commission seeks specific comment on how it might further reduce the information collection burden for small business concerns with fewer than 25 employees.

28. *Initial Regulatory Flexibility Analysis.* As required by the Regulatory Flexibility Act of 1980, as amended, 5 U.S.C. 603, the Commission has prepared an Initial Regulatory Flexibility Analysis (IRFA) of the possible significant economic impact on a substantial number of small entities of the policies and rules proposed in the Further Notice of Proposed Rulemaking (FNPRM). Written public comments are requested on this IRFA. Comments must be identified as responses to the IRFA and must be filed by the deadlines for comments on the Further Notice. The Commission will send a copy of the Further Notice, including the IRFA, to the Chief Counsel for Advocacy of the Small Business Administration (SBA).

29. *Need for, and Objectives of, the Proposed Rules.* The FNPRM seeks comment on a multi-year grant program to support the efforts of outreach partners to inform potentially eligible households about the Affordable Connectivity Program and encourage them to enroll in the program, including the types of entities that could be eligible to apply for and receive grants, potentially including non-profit organizations, State, local, and Tribal governments, social service agencies, school districts, and libraries. The FNPRM also proposes and seeks comment on a pilot program focused on expanding ACP participation by beneficiaries of Federal Public Housing Assistance (FPHA) programs (housing choice voucher program (Section 8), project-based rental assistance, and public housing) by increasing their awareness of the program and helping them enroll, to be implemented in conjunction with agencies that administer the FPHA programs. In addition, the FNPRM seeks comment on rules to implement the

enhanced affordable connectivity benefit of up to \$75.00 per month that the Infrastructure Act provides to eligible households for broadband service offered by participating providers in certain high-cost areas, including the definition and identification of high-cost areas; the standards for a participating provider's showing of particularized economic hardship, the information it would need to submit (such as revenues, cost models, and capital expenditures), and the process of reviewing such showings.

30. *Legal Basis.* The proposed actions are authorized pursuant to the Infrastructure Act, div. F, tit. V, section 60502(a)(3)(B), 47 U.S.C. 1752(a)(7)(B) and (b)(10)(C).

31. *Description and Estimate of the Number of Small Entities to Which the Proposed Rules Will Apply.* The small entities that might be eligible to apply for grants under the proposed outreach grant program include approximately 49,000 small governmental jurisdictions and 572,000 small non-profit organizations, based on SBA definitions and data from the U.S. Census Bureau and other sources. A small subset of these entities might be eligible to seek to participate in the pilot program focused on public housing beneficiaries. The proposed rules concerning the enhanced affordable connectivity benefit could apply to approximately 3,000 wired broadband internet access service providers and 1,000 wireless broadband internet access service providers, if such providers opted to participate in the program and seeks to offer the enhanced benefit in high-cost areas where they can show particularized economic hardship.

32. *Description of Projected Reporting, Recordkeeping, and Other Compliance Requirements.* The Commission anticipates that any grant-related rules that it adopts, following the Uniform Guidance that applies to all Federal agencies (potentially with additional implementation details), *see* 79 FR 75872 (Dec. 19, 2014), will not have a significant economic impact on a substantial number of small entities. Providers of wireline or wireless broadband internet access services, including small businesses, that voluntarily seek to qualify for the enhanced benefit might need to report and retain certain data about their operations. The precise nature of the necessary data cannot be ascertained at this time and the cost of compliance cannot be quantified, but any recordkeeping or reporting requirements would apply only to those providers that voluntarily participate and opt to seek the enhanced benefit, and the Commission believes that such providers will likely enjoy benefits that far exceed the reporting and recordkeeping costs.

33. *Steps Taken To Minimize Significant Impact on Small Entities, and Significant Alternatives Considered.* The rules and requirements that the Commission ultimately adopts to implement the enhanced benefit in high-cost areas will be explicitly designed to accommodate and provide structure for the particularized showings of economic hardship that all applicants, including small entities, will need to submit. The particularized nature of each of these showings will inherently accommodate the particular circumstances of each applicant, including any small entity that chooses to apply for the benefit. The Commission is hopeful that the comments it receives will further address matters impacting small entities and will include information, data and analyses relating to these matters.

34. *Federal Rules Which Duplicate, Overlap, or Conflict With, the Commission's Proposals:*
None.

ORDERING CLAUSE

35. Accordingly, *it is ordered* that, pursuant to the authority contained in Section 904 of Division N, Title IX of the Consolidated Appropriations Act, 2021, Public Law No. 116-260, 134 Stat. 1182, as amended by Infrastructure Investment and Jobs Act, Public Law No. 117-58, 135 Stat. 429 (2021), this Further Notice of Proposed Rulemaking *is adopted*.

List of Subjects in 47 CFR Part 54

Communications common carriers, Health facilities, Infants and children, Internet, Libraries, Puerto Rico, Reporting and recordkeeping requirements, Schools, Telecommunications, Telephone, Virgin Islands.

Federal Communications Commission.

Marlene Dortch,
Secretary,
Office of the Secretary.